



PORT COLBORNE

Subject: Vacant Land Amendment to 2024 Water and Wastewater By-Law

To: Council

From: Corporate Services Department

Report Number: 2024-177

Meeting Date: September 24, 2024

Recommendation:

That Corporate Services Department Report 2024-177 be received;

That Council exempt vacant land that is abutting a business owned by the same beneficial owner when the land is used in the operations of that business; and

That Council approve this change effective for the 2024 year and going forward.

Purpose:

To update the water and wastewater by-law to exempt vacant land that is abutting a business owned by the same beneficial owner and the land is used in the operations of that business.

Background:

On June 27, 2023, Council adopted changes to the vacant land charges related to water and wastewater fixed charges.

The vacant land charges exist as they recognize the land value is enhanced by the water and wastewater infrastructure that abuts it and those assets require maintenance and replacement as they depreciate. The charge further serves as an incentive to develop vacant land.

Since the update has been implemented, the Customer Service department has received comments from business owners with vacant land abutting their business that their vacant land is used as a parking lot or storage area for their business. Procedurally

the business owners have correctly identified they could combine their properties to avoid the vacant land charge.

The Customer Service department has also received comments from multiple industrial property types who have noted their properties are smaller in nature and would never hold an industrial facility using the industrial meter size used in the vacant land charge.

Discussion:

To address the business owners' comments and procedural observation identified in the background section of this report, Staff recommend the water and wastewater by-law be adjusted to include language that would exempt vacant land when it abuts another property that is owned by the same beneficial owner when the vacant land is used to support the business abutting the vacant land. This exemption would be assessed by the City's Economic Development department.

To address the comments from multiple industrial properties, Staff recommend reducing the fixed charge from a 3" meter to a 2" meter which would reduce the 2024 water fixed charge from \$5,052.35 to \$1,331.99 and the 2024 wastewater fixed charge from \$9,092.48 to \$2,397.11 on vacant industrial properties.

Staff recommend the above adjustments to the water and wastewater by-law as the by-law was intended to address non-utilized vacant land that is serviced with depreciating infrastructure. In the case of the proposed exemption for abutting vacant land the land is being utilized. In the case of the meter size on industrial properties, this change better aligns with potential use.

Internal Consultations:

Financial Services has consulted with the Office of the CAO, Economic Development, and multiple Councillors have reached out to Staff for additional information as some have received similar comments as Customer Service.

Financial Implications:

The City is developing its trimester two forecast at the time of writing this report. These changes represent \$44,900 to water and \$74,200 to wastewater. These changes will be worked into the 2024 trimester two forecast and 2025 budget.

Public Engagement:

These changes are proposed based on feedback from impacted parties.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Economic Prosperity
 - Increased Housing Options
 - Sustainable and Resilient Infrastructure
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Conclusion:

That the water and wastewater by-law be amended as follows:

- When vacant land, that abuts another property that is owned by the same beneficial owner and the vacant land is used to support the business on the land abutting the vacant land, that, that land be exempt from the City's water and wastewater vacant land charges.
 - That industrial properties be charged the 2" fixed charge instead of the 3" fixed charge when assessing a vacant land charge on industrial vacant land. For the 2" fixed charge to be \$1,331.99 for water and \$2,397.11 for wastewater.
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Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.